

PT 97-42

Tax Type: PROPERTY TAX

Issue: Religious Ownership/Use

STATE OF ILLINOIS
DEPARTMENT OF REVENUE
OFFICE OF ADMINISTRATIVE HEARINGS
SPRINGFIELD, ILLINOIS

CAPRON UNITED METHODIST CHURCH)	Docket #	95-04-0044
Applicant)		
)	Parcel Index #	04-04-11-102-002
v.)		
)	Barbara S. Rowe	
THE DEPARTMENT OF REVENUE)	Administrative Law Judge	
OF THE STATE OF ILLINOIS)		

RECOMMENDATION FOR DISPOSITION

Synopsis:

The hearing in this matter was held at 100 W. Randolph Street, Chicago, Illinois on April 18, 1997, to determine whether or not Boone County Parcel Index No. 04-04-11-102-002 qualified for a property tax exemption during the 1995 assessment year.

Teresa Schlub, Pastor, and John Eichelberger, Trustee of Capron United Methodist Church (hereinafter referred to as the "Applicant") were present and testified on behalf of the applicant.

The issues in this matter include, first, whether the applicant was the owner of the parcel during the 1995 assessment year; secondly, whether the applicant is a religious organization; and lastly, whether these parcels were used by the applicant for exempt purposes during the 1995 assessment year. Following the submission of all the evidence and a review of the record, it is determined that the applicant is a religious organization that owned this parcel during a portion of the 1995 assessment year. It is also determined that the applicant used the parcel for exempt purposes during the 1995 assessment year. I

therefore recommend that the applicant be granted a property tax exemption for Boone County Parcel Index No. 04-04-11-102-002 for 30% of the 1995 assessment year.

Findings of Fact:

1. The position and jurisdiction of the Illinois Department of Revenue (hereinafter the "Department") were established by the admission into evidence of Department's Exhibits 1 through 4.

2. I take administrative notice of the fact that the Department determined that the applicant was a religious organization and entitled to a property tax exemption for an adjoining parcel of land pursuant to Docket No. 92-4-43. (Dept. Ex. No. 1)

3. The applicant acquired the parcel here in issue by a corporate warranty deed dated September 13, 1995. (Dept. Ex. No. 1)

4. On the religious application submitted to the Department, the applicant wrote "none" as to the use of the area at issue and "none" as to the days and hours of service on the parcel. (Dept. Ex. No. 1)

5. The exemption unit of the Department contacted the applicant for additional information regarding the usage in 1995 of the parcel in question. There was no response by the applicant. (Dept. Ex. No. 1)

6. The applicant has fewer than 15 street parking spaces adjacent to the church building which was granted an exemption pursuant to Docket number 92-4-43. (Dept. Ex. Nos. 1 and 3; Applicant's Ex. No. 2; Tr. pp. 18-20)

7. The applicant used the parcel in question during 1995 for outdoor activities for the applicant's youth, bible school, church sponsored dinners, and parking. (Applicant's Ex. No. 2; Tr. pp. 14-15, 21-22)

Conclusions of Law:

Article IX, §6 of the Illinois Constitution of 1970, provides in part as follows:

The General Assembly by law may exempt from taxation only the property of the State, units of local government and school districts and property used exclusively for agricultural and horticultural societies, and for school, religious, cemetery and charitable purposes.

Pursuant to the authority granted by the Constitution, the legislature has enacted exemptions from property tax. The religious exemption is found at 35 **ILCS** 200/15-40. That portion of the statutes exempts certain property from taxation, in part, as follows:

§ 15-40. Religious purposes, orphanages or school and religious purposes. All property used exclusively for religious purposes, or used exclusively for school and religious purposes, or for orphanages and not leased or otherwise used with a view to profit, is exempt, including all such property owned by churches or religious institutions....

Also at issue is the exemption for parking areas found at 35 **ILCS** 200/15-125. It states:

Parking areas, not leased or used for profit, when used as a part of a use for which an exemption is provided by this Code and owned by any school district, non-profit hospital, school, or religious or charitable institution which meets the qualifications for exemption, are exempt.

The Department initially denied exemption to this parcel because of the lack of usage shown on the applicant's application. The applicant has established that they, in fact, utilize the property for parking and religious uses. I therefore recommend that the applicant be granted a property tax exemption from September 13, 1995, through December 31, 1997, or for 30% of the 1995 assessment year.

Respectfully Submitted,

Barbara S. Rowe
Administrative Law Judge
July 21, 1997